

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF TAYLOR COUNTY RURAL	)	
ELECTRIC COOPERATIVE CORPORATION TO	)	
BORROW AN ADDITIONAL SUM OF \$2,334,000	)	
FROM THE UNITED STATES OF AMERICA AND	)	
TO EXECUTE A NOTE FOR SAID AMOUNT AND	)	
TO CONCURRENTLY BORROW FROM ITS	)	CASE NO. 93-292
SUPPLEMENTAL LENDER, COBANK, THE	)	
ADDITIONAL SUM OF \$1,000,000, AND TO	)	
EXECUTE ITS NOTE THEREFOR, SAID NOTES	)	
TO BE SECURED BY AN EXISTING COMMON	)	
MORTGAGE HERETOFORE EXECUTED	)	

O R D E R

IT IS ORDERED that Taylor County Rural Electric Cooperative Corporation ("Taylor County") shall file an original and 12 copies of the following information with the Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. The information requested herein is due within 20 days of the date of this Order.

1. Provide a copy of the loan approval received from the National Bank for Cooperatives ("CoBank"). The approval must clearly state that the loan has been approved, not that processing is completed.

2. Provide an explanation of the CoBank loan interest rate program options available to Taylor County. Indicate which program Taylor County would anticipate selecting if the approved loan drawdown were being made by the response date to this Order. Explain the reasoning Taylor County used which supports this selection.

3. Provide the amortization schedules for the REA and CoBank loans. The amortization schedule for the CoBank loan should be prepared to reflect the currently available interest rates.

4. Explain whether Taylor County's current revenues are sufficient to cover the additional operating expenses it expects to incur related to the work plan.

5. Provide a copy of the Rural Electrification Administration ("REA") Form 740c. If Taylor County plans to use other financing (i.e. general funds) in addition to the REA and CoBank loans for the work plan, provide the following information:

a. Indicate the source of the financing.

b. Explain how Taylor County determined that it would use additional financing, as well as borrowed funds.

6. In Case No. 92-304,<sup>1</sup> Taylor County estimated the total costs of the extensions and additions to be \$3,670,020. In this proceeding, Taylor County has indicated it intends to borrow a total of \$3,334,000. Provide a detailed explanation of the

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<sup>1</sup> Case No. 92-304, Application of Taylor County Rural Electric Cooperative Corporation for Certificate of Public Convenience and Necessity, Order dated September 29, 1992.

reasons for the difference in the two totals, identifying any changes in the costs or the work anticipated to be performed under the work plan.

Done at Frankfort, Kentucky, this 23rd day of September, 1993.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director